

## Dollar plunges on disappointing data and political uncertainty

### Key points

- US GDP increased at an annual rate of 2.6 percent in Q2 CY 2017
- US Unemployment rate in 31 US states fell to 4.3 percent in June 2017
- India Retail inflation eased to 1.5 percent in June 2017
- India Industrial production (IIP) grew slower at 1.7 percent in May 2017
- Reserve Bank of India cuts repo rate by 25bps to 6%
- The gap between US and India bond yields is narrowing
- Rupee is overvalued against a basket of 36 currencies
- European Union EA19 GDP grew by 0.6 percent in Q2 of CY 2017
- UK GDP growth accelerated by 0.3 percent in Q2 CY2017
- UK Markit Manufacturing and service sector improved
- Japan Manufacturing PMI data showed activity in the sector slow down

### Our Recommendation:

- |  |
|--|
| ➤ Buy USDINR Spot 5lots at 64.55 for the target of 65.80       |
| ➤ Buy GBPINR Spot 5lots at 83.25 for the target of 85.5        |
| ➤ Sell JPYINR Spot 5lots at 56.5 for the target of 55.50/54.50 |

### Update on Calls:

- |  |
|--|
| ➤ On 24th July 2017 we booked Profit in our Buy Call EURINR Spot 5 lots at 73.56 for the target of 76.0 with a time frame of 1-2 months that we had generated on July 11th, 2017 |
| ➤ Profit booked at EURINR (5lots) at 75.21   |
| ➤ Total Profit booked in the call : Rs.8250  |

**Dollar Index:** The US Dollar declined by 2.89 percent in the month of July against basket of six major currencies on the back of disappointing economic data from the US and on rising political uncertainty in the US. Traders are disappointed with the lack of progress on the US fiscal stimulus and tax reforms. They doubt President Donald Trump's ability to deliver on its economic agenda after Republican senator's effort to pass their own healthcare bill failed. Further, tension rose on the political front after a report that U.S. special counsel Robert Mueller was investigating transactions tied to President Trump and some of his aides added downside pressure. The US Federal Reserve kept its monetary policy unchanged and signaled that central bank is in no hurry to raise interest rates. Statements from Fed showed that policymakers remained cautious ahead of slowdown in Inflation.

### US Economic update:

**US Real gross domestic product (GDP) increased at an annual rate of 2.6% in the second quarter of 2017** CY 2017 from increase of 1.4% in first quarter of CY 2017.

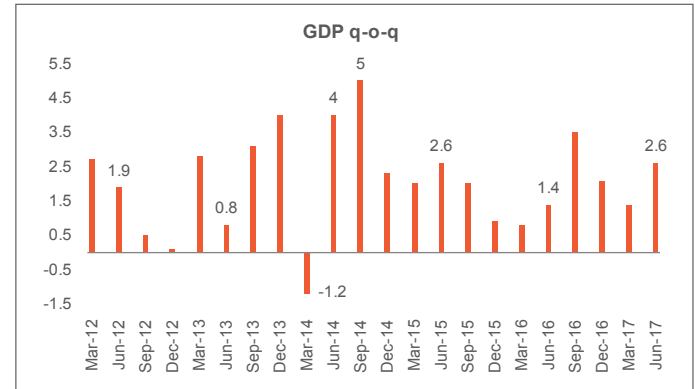
As per the Bureau of Economic Analysis (BEA), the increase in real GDP in the second quarter was due to positive contributions from Personal Consumption Expenditure (PCE), nonresidential fixed investment, exports and federal government spending that were partly offset by negative contributions from private residential fixed investment, private inventory investment, and state and local government spending.

In the second quarter CY2017, the price index for gross domestic purchases improved 0.8 percent compared to 2.6 percent in first quarter CY 2017. PCE price Index increased 0.3 percent in Q2 CY 2017 from 2.2 percent in preceding quarter. Consumer spending increased by 2.8% in Q2 CY2017 compared to 1.9% in Q1 CY2017. Gross Private domestic

Domestic Currency Pairs-Spot			
Pair Name	31/07/17	30/06/17	% change
USD-INR	64.1875	64.5813	-0.61
EUR-INR	75.314	73.698	2.19
GBP-INR	84.2616	83.7564	0.60
JPY-INR	58.04	57.73	0.54

investment improved by 2.0% in Q2CY2017 from -1.2% in Q1 CY2017. Government consumption expenditures and gross investment increased by 0.7% in second quarter CY2017 compared to decline of 0.6% in Q1 CY 2017.

From Q4 CY 2013 to Q1 CY2017 real GDP increased at an average annual rate of 2.1%.

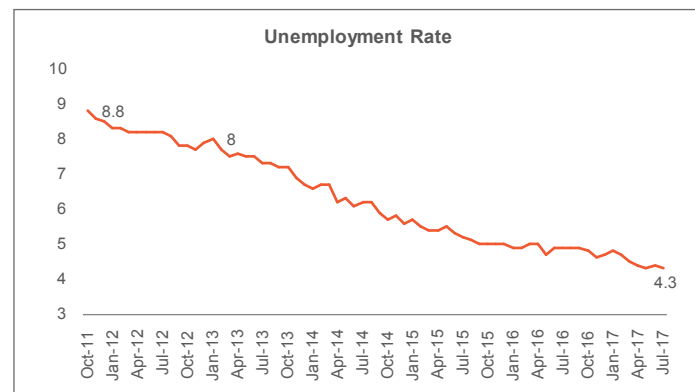


Source: Bloomberg, Sharekhan Research

Domestic Currency Pairs-Futures			
Pair Name	31/07/17	30/06/17	% change
USD-INR	64.4075	64.8175	-0.63
GBP-INR	84.5725	84.1275	0.53
EUR-INR	75.6375	74.01	2.20
JPY-INR	58.305	57.915	0.67

**As per the Bureau of labor statistics, unemployment rate in 31 US states remained unchanged to 4.3 percent in July** lowest rate in 10 years. Total nonfarm payroll employment increased by 209000 compared with an average monthly gain of 184,000. Job gains occurred in Food Services and drinking places, professional and business services and health care. Average hourly earnings improved by 0.3% in July 2017 compared to 0.2% in June 2017.

Employment in health care rose by 39,000 in July 2017. Hospitals added 7,000 jobs over the month, and employment in ambulatory health care services continued to trend up (+30,000). Mining added 1,000 jobs. Food services and drinking places added 53000 jobs and Professional and business services added 49000 jobs in July 2017.



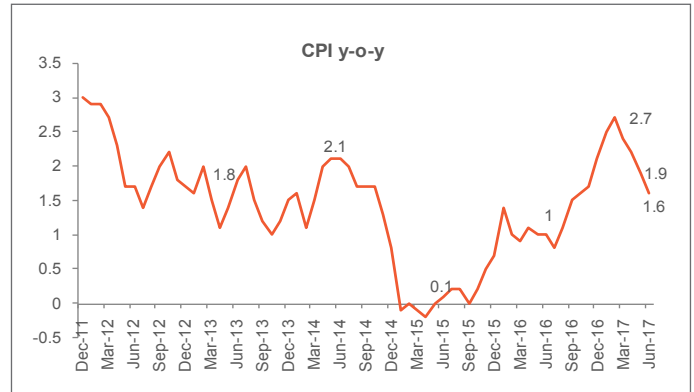
Source: Bloomberg, Sharekhan Research

**As per Bureau of labor statistics Consumer Price Index for All Urban Consumers remained unchanged** in June 2017 compared to -0.1% in May 2017. The main contributor was decrease in the energy index. The energy index fell 1.6 percent led by a decline of 2.8 percent in the gasoline index. The food index rose 0.2 percent. In 12 months through June, CPI increased by 1.6 percent lesser than 1.9

Major Global Currencies			
Pair Name	31/07/17	30/06/17	% change
Dollar Index	92.863	95.628	-2.89
EURUSD	1.1842	1.1426	3.64
GBPUSD	1.3215	1.3025	1.46
USDJPY	110.26	112.39	-1.90
USDCAD	1.248	1.2964	-3.73
USDCHF	0.9669	0.9579	0.94
USDNZD	1.3306	1.3631	-2.38
USDAUS	1.2494	1.3007	-3.94
GBPJPY	145.697	146.394	-0.48
EURJPY	130.57	128.4	1.69
EURGBP	0.89608	0.8771	2.16

Asian Currencies			
Pair Name	31/07/17	30/06/17	% change
USD-CNY	6.7266	6.7809	-0.80
USD-THB	33.3	33.933	-1.87
USD-KRW	1119.32	1144.14	-2.17
USD-MYR	4.2813	4.2928	-0.27
USD-PHP	50.487	50.47	0.03
USD-IDR	13325	13348	-0.17
USD-TWD	30.213	30.429	-0.71
USD-BRL	3.1254	3.3082	-5.53

percent rise for the 12 months ending May. CPI has been declining from 2.7% since February 2017. Core CPI (less food and energy) increased by 0.1 percent in June.

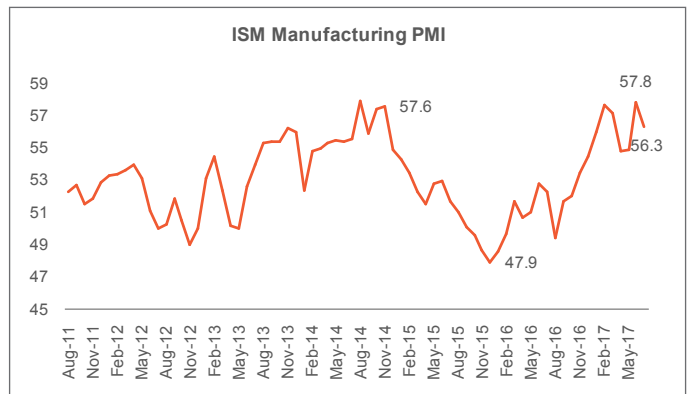


Source: Bloomberg, Sharekhan Research

Major indices			
Indices	31/07/17	30/06/17	% change
DOW JONES INDUS	21891.12	21349.63	2.5
HANG SENG	27323.99	25764.58	6.1
NIKKEI 225	19925.18	20033.43	-0.5
FTSE 100	7372	7312.72	0.8
Nifty 50	10077.1	9520.9	5.8
DAX	12118.25	12325.12	-1.7

**ISM Manufacturing PMI expanded to 56.3 percent** down by 1.5 percentage points in July 2017 from 57.8 percent in June 2017. A reading above benchmark of 50 percent indicates that the manufacturing economy is expanding and below benchmark indicates that it's contracting. As per the Institute for supply management, economic activity in manufacturing sector expanded for 10<sup>th</sup> consecutive month in July 2017. New orders Index decreased by 3.1 percentage point to 60.4 percent in July 2017 compared to 63.5 percent reading in June 2017. Production index declined by 1.8 percentage point to 60.6 percent in July 2017. Out of 18 manufacturing industries 15 reported growth. New export orders index decreased to 57.5 percent in July 2017 from 59.5 percent in June 2017. New Imports index increased to 56.0 in July 2017 from 54.0 percent in June 2017.

Commodities			
Commodity	31/07/17	30/06/17	% change
Gold	1269.44	1241.61	2.2
Brent Crude Oil	52.72	49.04	7.5
Silver	16.8271	16.6325	1.2
Copper	6369	5937	7.3



Source: Bloomberg, Sharekhan Research

10Yr Govt. Bond Yield			
Country	31/07/17	30/06/17	change
India	6.469	6.511	-0.042
US	2.295	2.305	-0.010
Germany	1.228	1.256	-0.028
Japan	0.075	0.079	-0.004
UK	0.541	0.465	0.076

**US Federal Reserve kept the target range for federal funds unchanged to 1.0 percent to 1.25 percent.** Federal Open Market Committee signaled that the labor market has continued to strengthen and that economic activity has been rising moderately so far this year. Household spending and fixed business investment has continued to expand. Inflation on a 12 month basis is expected to remain below 2% in near term but is to stabilize around 2% in medium term. Median Fed fund rate projections for 2017

and 2018 indicates central banks intention to continue with its monetary policy tightening. It indicates one more rate hike this year.

Median Fed Projections				
	2017	2018	2019	longer run
GDP % yoy	2.2	2.1	1.9	1.8
Unemployment Rate %	4.3	4.2	4.2	4.6
PCE Inflation % yoy	1.6	2	2	2
Core PCE Inflation % yoy	1.7	2	2	-
Fed Fund Rate %	1.4	2.1	2.9	3

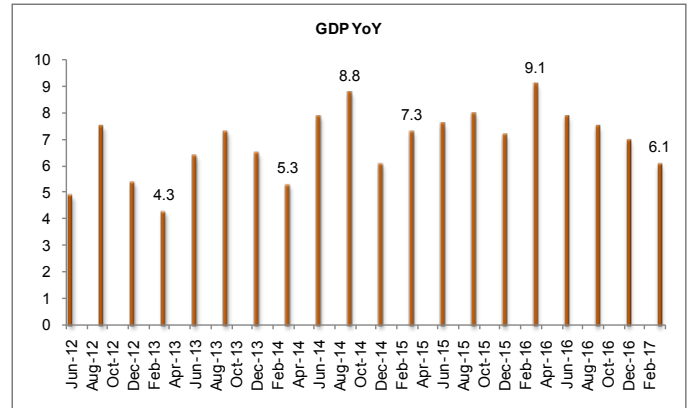
**Outlook:** The dollar is expected to trade with the negative bias on the back of batch of mixed economic data's from the country and dovish statements from Fed officials. Further, rising political uncertainty in country and disappointing economic data raised the doubt about US economic growth and whether Federal Reserve will raise interest rates in 2017. As per CME Groups, Fedwatch tool expectation for rate hike in December stood at 46 percent. Traders doubt President Donald Trump's ability to deliver on his economic agenda. Further, expectation of monetary tapering from major central bank across the globe may add downside pressure. Traders will remain cautious ahead of US Federal Reserve FOMC meeting minutes and Jackson Hole Symposium.

**Indian Rupee:** Indian Rupee appreciated by 0.61 percent in the previous month on the back of rise in risk appetite in the domestic markets and weakness in Dollar. Further, continued FII inflows into local shares and debt market supported the Rupee. Foreign investors bought net \$2928.57 million in the debt market and bought \$803.45 million in local shares in July 2017 as per data from NSDL. Ease in inflation led to the speculation among investors that this may provide room for Reserve Bank of India (RBI) to slash interest rates. India CPI eased to 1.54 percent in June 2017 compared to 2.18 percent in May 2017.

**Indian Economic update:**

**The Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation,** The Indian economy grew 6.1 percent year-on-year in the fourth quarter of FY 2017 slower than 7.1 percent growth in previous quarter. The GDP growth rate for the full year came in at 7.1 per cent in line with official estimates compared to a revised growth figure of 8 per cent in FY16.

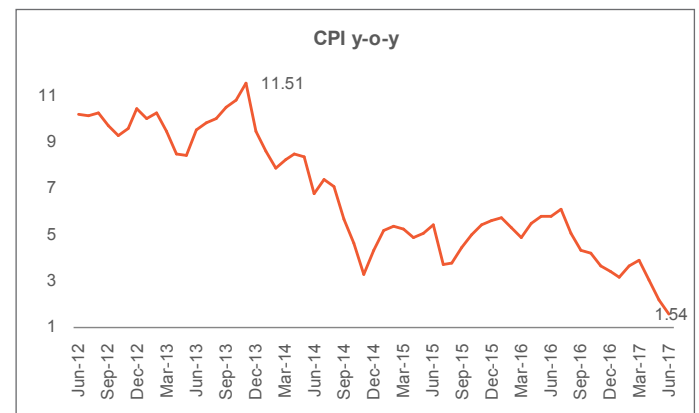
The growth in the 'agriculture, forestry and fishing' was 5.2%, mining and quarrying 6.4%, manufacturing was 5.3 percent, electricity, gas, water supply & other utility services 6.1%, trade, hotels, transport and communication at 6.5%, financial, real estate and professional services at 2.2%, and public administration, defence and other services at 17%. Construction sector shrank 3.7%.



Source: Bloomberg, Sharekhan Research

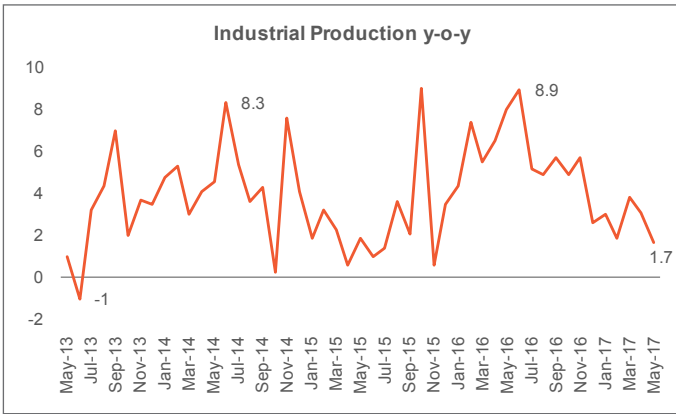
**India Retail inflation eased in June 2017** due to softer food prices. CPI eased to 1.54 percent in June 2017 compared to 2.18 percent in May 2017. It is at its lowest level since 2012. CPI inflation in rural India was 1.59% in June 2017 compared to 6.29% in June 2016. In urban India, consumer price inflation in June 2017 was 1.41% lower than the 5.26% inflation prevailing a year ago. Combined inflation (both rural and urban) was lower than the 5.77% inflation in June 2016.

Indices	June 2017 (Provisional)			May 2017 (Final)			June 2016 (Final)		
	Rural	Urban	Com-bined	Rural	Urban	Com-bined	Rural	Urban	Com-bined
CPI	1.59	1.41	1.54	2.30	2.13	2.18	6.29	5.26	5.77



Source: Bloomberg, Sharekhan Research

**India Industrial production (IIP) grew slower at 1.7 percent** in May 2017 compared to 3.1 percent in April 2017 and lower than 8 percent in May 2016. 12 out of the 23 industry groups in the manufacturing sector have shown positive growth during the month of May 2017 as compared to the corresponding month of the previous year. Mining declined by 0.9 percent in May 2017 compared to 4.2 percent rise in April 2017. Manufacturing registered slower growth of 1.2 percent in May 2017 compared to 2.6 percent in April 2017.



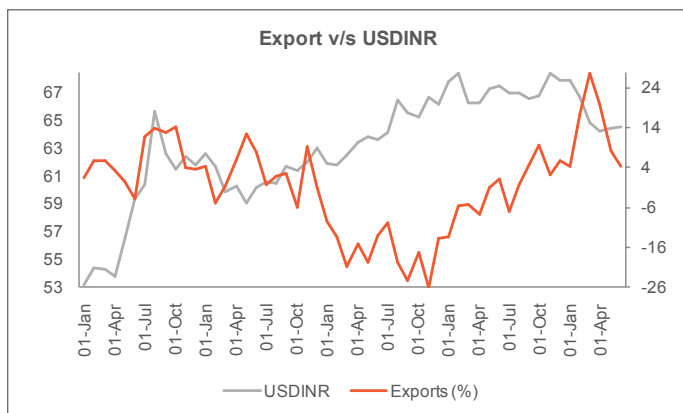
Source: Bloomberg, Sharekhan Research

Index/Percentage	May 2017	April 2017	May 2016
All Industries	1.7	3.1	8.0
Mining	-0.9	4.2	5.7
Manufacturing	1.2	2.6	8.6
Electricity	8.7	5.4	6.1

**India Trade deficit narrowed to USD 12959.86 million in June 2017 from USD 13841.72 million in May 2017** but widened compared to USD 8116.24 million in the June 2016. India exports grew by 4.39 percent in June 2017 to USD 23562.62 million in June 2017 compared to USD 22572.3 million in June 2016 but declined by 1.88% when compared with USD 24014.62 million May 2017. Major commodity groups of exports in the total export basket which have shown positive growth over the corresponding month of last year are Engineering Goods (14.78%), Petroleum Products (3.60%), Organic & Inorganic Chemicals (13.20%), Rice (27.29%) and Marine Products (24.27%).

India Imports rose by 19.01 percent in June 2017 to USD 36522.48 million compared to USD 30688.54 in June 2016 but declined by 3.52 percent when compared with USD 37856.34 million in May 2017. Major commodity group of imports showing high growth in June 2017 over the corresponding month of last year are Petroleum, Crude & products (12.04%), Gold (102.99%), Electronic goods (24.22%), Pearls, precious & Semiprecious stones (86.31%) and Machinery, electrical & nonelectrical (7.02%).

If we see below chart we can see that appreciation in the Rupee hurts export industry.



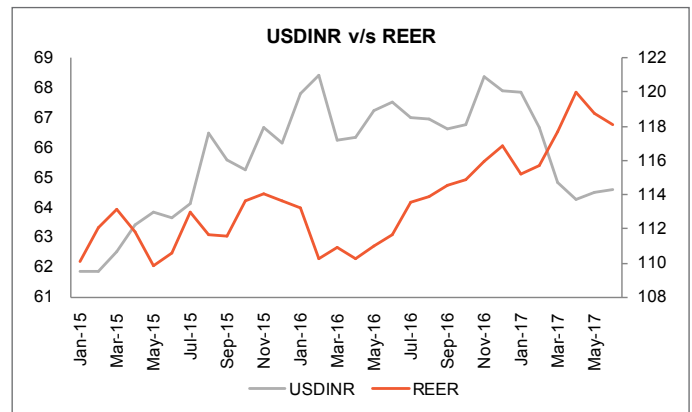
Source: Bloomberg, Sharekhan Research

**Reserve Bank of India Monetary policy:** The central bank cut repo rate by 25bps to 6% and Reserve Repo rate to 5.75% in its bi-monthly policy meet held on 2<sup>nd</sup> August 2017. The marginal standing facility was reduced to 6.25% from 6.5%. RBI maintained neutral monetary policy stance. Main reasons for rate cuts were decline in inflation and Normal monsoon. RBI expects inflation to range between 2.0- 3.5 % in the first half of the year and 3.5-4.5% in the second half.

**REER at highest level**

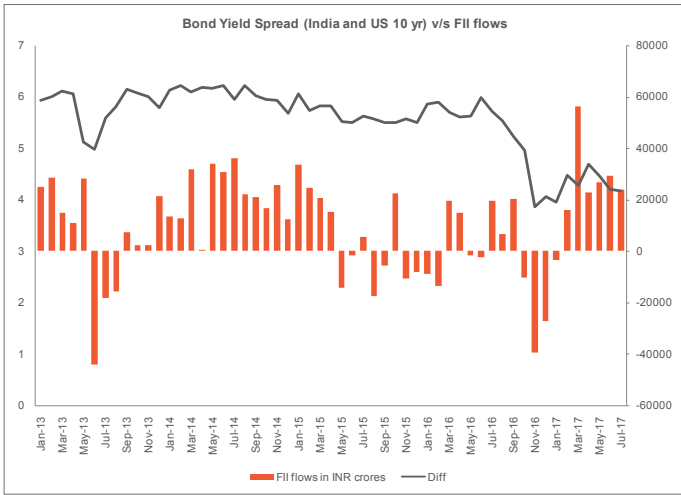
REER is the weighted average of a country's currency relative to an index or basket of other major currencies adjusted for the effects of inflation. The weights are determined by comparing the relative trade balances, in terms of one country's currency, with each other country within the index. As per REER, the rupee must depreciate for India's exports to be competitive globally. Rupee is overvalued against a basket of 36 currencies. In June 2017, REER was 118.1 compared to 118.79 in May 2017 and 111.62 in the same month last year.

	REER (36 countries)	USDINR
Jun-17	118.1	64.5813
May-17	118.79	64.5075
Apr-17	120.03	64.2462
Mar-17	117.67	64.85
Feb-17	115.67	66.69
Jan-17	115.24	67.865
Dec-16	116.84	67.9238
Nov-16	115.94	68.3887
Oct-16	114.88	66.78
Sep-16	114.51	66.6113
Aug-16	113.87	66.9637
Jul-16	113.53	66.995
Jun-16	111.62	67.525
May-16	110.97	67.26
Apr-16	110.23	66.33
Mar-16	110.86	66.2475
Feb-16	110.25	68.4225
Jan-16	113.2	67.7925



**Spread between US and Indian bond yield:** The gap between US and India bond yields is narrowing. US treasury yield is rising as Federal Reserve is expected to hike rate once again in this year. The Reserve Bank of India however,

is likely to continue with its loose monetary stance. Rise in the US yield prompts foreign investors to sell their Indian market holdings. If we see the chart below, we may see that as the spread narrows, FI outflows is witnessed.



**Outlook:** Indian Rupee is expected to trade with a negative bias as investors are concerned about the tapering of liquidity after major central banks across globe signaled tighter monetary policy. The gap between US and India bond yields is narrowing. Rise in US yield prompts foreign investors to sell their Indian market holdings. Additionally, rising geopolitical tensions may hurt market sentiments. As per REER, based on a basket of currencies of 36 trading partners, the Rupee is overvalued. Traders will remain cautious ahead of macroeconomic data from the country.

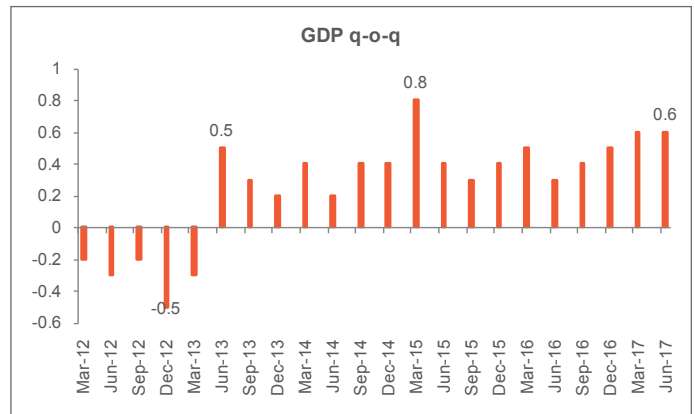
**Buy USDINR Spot 5 lots at 64.55 for the target of 65.80**

**Euro:** Euro appreciated by 2.19 percent in the previous month on the back of weakness in dollar and upbeat economic data from the Euro area. Further, investors speculate monetary tapering next year after European Central Bank president Draghi said policymakers would discuss changes to its bond purchasing program in autumn. European central bank kept its monetary policy untouched in its recent meeting.

**Europe economic update:**

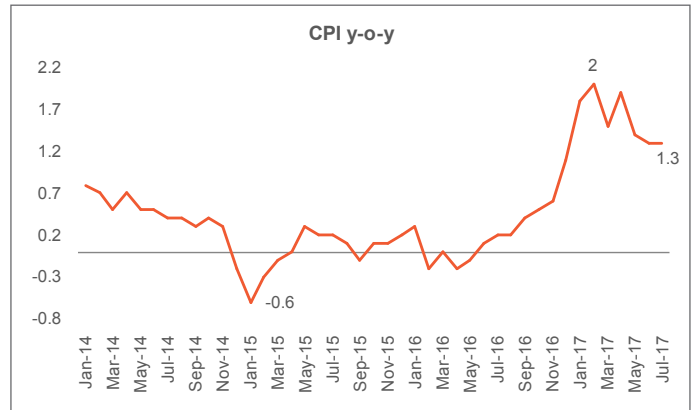
As per Eurostat, the statistical office of the European Union EA19 and EU28 GDP grew by 0.6 % in Q2 of CY 2017 compared to 0.5% in Q1 CY 2017.

EA19 GDP grew by 2.1% in Q2 CY2016 and EU28 GDP accelerated by 2.2% in Q2 CY 2016. Euro Zone economy expanded for 17 consecutive quarters.



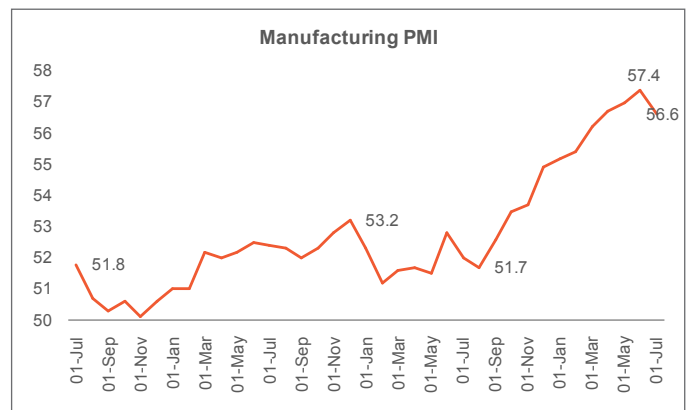
Source: Bloomberg, Sharekhan Research

As per Eurostat, the statistical office of the European Union Euro area annual inflation is expected to be 1.3% in July 2017 unchanged compared to June 2017. The main components of euro area inflation, Inflation for energy is expected to have grown in July 2017 to 2.2% compared with 1.9% in June 2017, followed by services (1.5%, compared with 1.6% in June), food, alcohol & tobacco (1.4%, compared with June) and non-energy industrial goods (0.5%, compared with 0.4% in June).



Source: Bloomberg, Sharekhan Research

As per Markit Euro Zone flash manufacturing PMI declined to 56.8 in July 2017 from 57.4 in June 2017. The PMI has remained above benchmark level 50 through past 4 years. Expansion in the sector was due to increase in production and strong increase in new orders. Strong rate of expansion continued to be seen in France and Germany.



Source: Bloomberg, Sharekhan Research

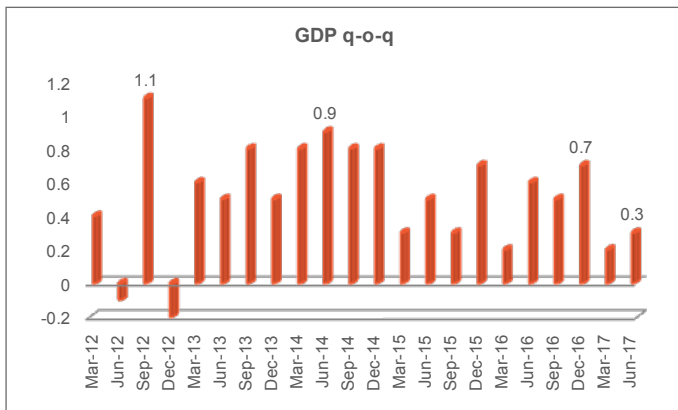


**Outlook:** The Euro currency expected to trade with positive bias on the back of weakness in dollar and improvement in economic data's from Euro Area. Further, traders anticipate that the central bank may move towards a stimulus reduction. European Central Bank president Draghi said policymakers would discuss on changes to its bond purchasing program in autumn. Traders will remain cautious ahead of US Federal Reserve FOMC meeting minutes and Jackson Hole Symposium. Any hawkish statements from European Central bank officials will support Euro.

**Great Britain Pound:** The British pound appreciated by 0.60 percent in the month of June as British trade Minister Liam Fox said he backed a transition agreement to smooth Britain's departure from EU. Further, weakness in the dollar and expectation of monetary tapering from BOE supported the currency. However, sharp gains were prevented on disappointing economic data from UK. International monetary fund (IMF) slashed UK economic growth outlook. The IMF projects that the U.K. economy will grow at a rate of 1.7 percent in 2017 from 2 percent.

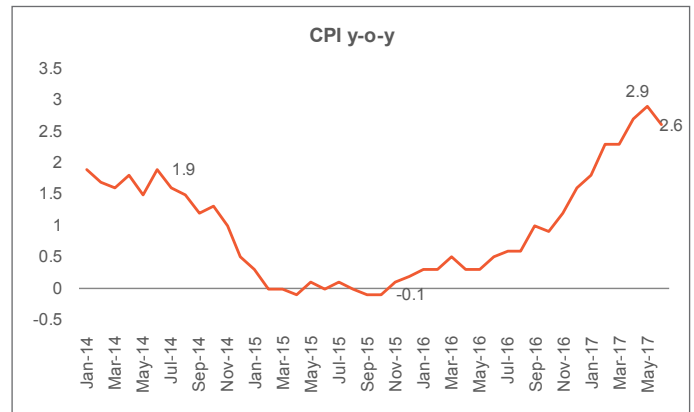
**UK Economic update:**

**UK GDP growth accelerated by 0.3 percent in Q2 CY2017.** In Q2 CY 2017, growth was driven by the services sector. In Quarter 2 CY2017, agriculture increased by 0.6%, total production declined by 0.4%, manufacturing fell by 0.5% and construction decreased by 0.9% and total services increased by 0.5%. Within the production output from mining and quarrying decreased by 0.9% and Water supply, sewerage, waste management and remediation activities decreased by 0.4%. Within services main contributor to growth was distribution, hotels and restaurants sector, which increased by 1.1%.



Source: Bloomberg, Sharekhan Research

As per the Office for National Statistics, the UK consumer price index (CPI) 12-month rate rose by 2.6% in June 2017 compared to 2.9% in May 2017. The main contributor to the fall in the rate was decrease in prices for recreational and cultural goods and services, transport, clothing and footwear and lower prices for motor fuel.



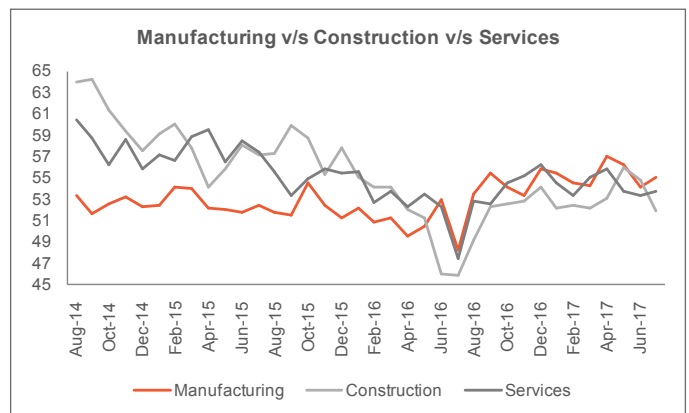
Source: Bloomberg, Sharekhan Research

**UK Markit Manufacturing, construction and service sector slowing:**

As per Markit, UK Manufacturing PMI showed that the activity in the manufacturing sector improved. Manufacturing PMI accelerated to 55.1 in July 2017 from 54.2 in June 2017. PMI was boosted due to stronger inflows of new work, higher level of production, improved job creation, longer supplier delivery times and an increase in inventory holdings. New orders have been boosted by strong export business. Manufacturing production increased for 12<sup>th</sup> consecutive month in July 2017.

As per Markit, UK Construction PMI slowed down in July 2017. Construction PMI fell to 51.9 in July 2017 from 54.8 in June 2017. Activity in the sector experienced a slowdown reflecting a weaker rise in commercial building and housing activity. It revealed reduction in new business volumes for first time since August 2016.

As per Markit, UK Services PMI activity in the sector improved from 4 month low in July. Services PMI increased to 53.8 in July 2017 from 53.4 in June 2017. Rate of expansion remained relatively subdued due to a softer rise in incoming new work across the service economy. Worries over Brexit and economic uncertainty affected client spending.



Source: Bloomberg, Sharekhan Research

**Bank of England Monetary policy:**

Bank of England kept its monetary policy untouched with key policy rate at 0.25% and Asset purchase facility at GBP 435 bn. Monetary policy committee (MPC) voted 6-2 in favor of maintain status quo in its recent policy decision (3rd August 2017) . In the previous policy meet held in June 15th 2017 3 members had voted for rate hike.

MPC voted unanimously to maintain the stock of sterling non-financial investment-grade corporate bond purchases, financed by the issuance of central bank reserves, at £10 billion. The Committee voted unanimously to maintain the stock of UK government bond purchases, financed by the issuance of central bank reserves, at £435 billion.

MPC lowered its GDP projection on expectation of slower growth in household real income which will hurt consumption. The MPC expects inflation to rise further in coming months and to peak around 3% in October 2017 as depreciation of sterling continues.

	Projections		
	2017	2018	2019
GDP	1.7	1.6	1.8
	Q3 2017	Q32018	Q32019
CPI inflation	2.7	2.6	2.2
Unemployment rate	4.4	4.5	4.5
Bank Rate	0.2	0.5	0.6

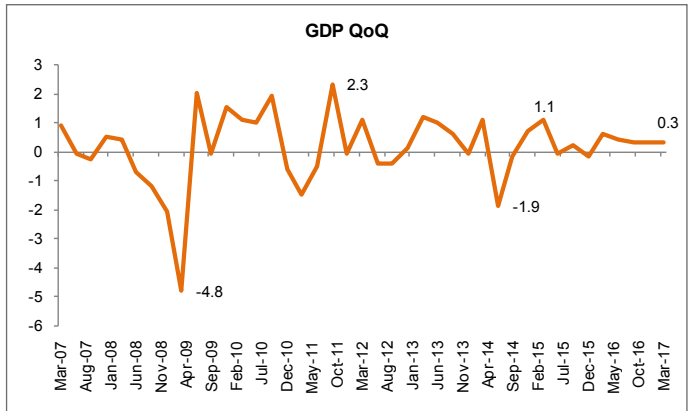
**Outlook:** The pound is expected to trade with positive bias on the back of weakness in dollar and upbeat economic data from the country. In the recent monetary policy meeting Bank of England Mark Carney and top officials repeated that bank might raise rates more than investors expect over next three years. However, sharp gain may be prevented as Bank of England kept its monetary policy untouched and lowered its forecast for growth, inflation and wages. Traders will remain cautious ahead of Brexit negotiations.

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**Japanese Yen:** Yen depreciated by 0.54 percent in the preceding month on the back of divergence in monetary policy and disappointing economic data from the country. Further, dovish statement from Bank of Japan officials added to downside pressure. They said that the central bank should focus on achieving 2 percent inflation target and it's premature to talk on monetary tapering right now. However, sharp downside was prevented as demand for safe haven improved on rise in geopolitical tensions and political uncertainty in US.

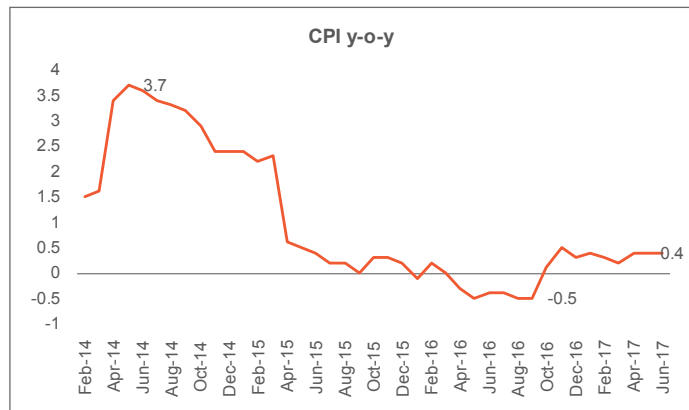
**Japan Economic Update:**

**As per Cabinet offices the Japanese economy grew by 0.3 percent in Q1 2018** against a preliminary reading of a 0.5 percent increase. Capital expenditure rose 0.6 percent for the quarter compared to the preliminary estimate of a 0.2 percent. Private consumption rose 0.3 percent down from the preliminary 0.4 percent. Japan's economy expanded at an annualized rate of 1.0 percent in the first quarter less than half the initial estimate of 2.2 percent.



Source: Bloomberg, Sharekhan Research

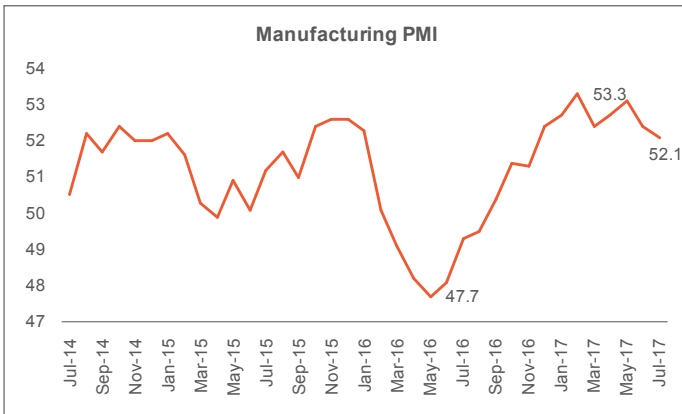
**As per Japanese Statistics Bureau Japan's core consumer prices rose for sixth consecutive months.** Core CPI rose at an annualized rate of 0.4 percent in June 2017. National CPI rate remained unchanged at 0.4% in June 2017 compared to the previous month. Household spending rose 2.3percent year on year in June 2017 compared to decline of 0.1 percent in May 2017.



Source: Bloomberg, Sharekhan Research

**As per Markit, Japan Manufacturing PMI showed that activity in the manufacturing sector was seen slowing down.** Manufacturing PMI fell to 52.2 in July 2017 from 52.4 in June 2017. Rate of expansion weakened in both production and new orders.





Source: Bloomberg, Sharekhan Research

continue to weigh on it. Further, a divergence in monetary policy and dovish statements from BOJ officials may hurt the currency. Bank of Japan kept its monetary policy unchanged, Interest rates at -0.10% and annual pace of the increase of Japanese Government Bond holdings at 80 trillion yen. Bank of Japan slashed its inflation forecast for fiscal 2018 to 1.1% from 1.4% and deferred the timing of reaching its 2% inflation target to fiscal 2019 from fiscal 2018. However, a sharp downside may be prevented as demand for safe haven will improve on rising geopolitical tensions and worries over political uncertainty in US. Traders will remain cautious ahead of US FOMC meeting minutes and Jackson Hole Symposium.

**Sell JPYINR Spot 5 lots at 56.90 for the target of 55.50/54.50**

**Outlook:** The yen is expected to trade with a negative bias as the disappointing economic data from Japan will

Date	Country	Event	Actual	Survey	Prior	Impact
01-08-2017	UK	Manufacturing PMI	55.1	54.4	54.2	High
01-08-2017	US	ISM Manufacturing PMI	56.3	56.4	57.8	High
02-08-2017	UK	Construction PMI	51.9	54.3	54.8	High
02-08-2017	US	ADP Non-Farm Employment Change	178K	187K	191K	High
02-08-2017	India	Repo Rate	6.00%	6.00%	6.25%	High
03-08-2017	UK	Services PMI	53.8	53.6	53.4	High
03-08-2017	UK	Official Bank Rate	0.25%	0.25%	0.25%	High
03-08-2017	US	ISM Non-Manufacturing PMI	53.9	56.9	57.4	High
04-08-2017	US	Non-Farm Employment Change	209K	182K	231K	High
10-08-2017	UK	Manufacturing Production m/m	-	0.00%	-0.20%	High
10-08-2017	UK	Goods Trade Balance	-	(11.0B)	(11.9B)	Medium
10-08-2017	US	PPI m/m	-	0.10%	0.10%	High
10-08-2017	US	FOMC Member Dudley Speaks	-	-	-	Medium
11-08-2017	US	CPI m/m	-	0.20%	0.00%	High
11-08-2017	US	Core CPI m/m	-	0.20%	0.10%	High
14-08-2017	Japan	Prelim GDP q/q	-	0.60%	0.30%	High
14-08-2017	China	Industrial Production y/y	-	-	7.60%	High
15-08-2017	UK	CPI y/y	-	-	2.60%	High
15-08-2017	US	Retail Sales m/m	-	-	-0.2%	High
16-08-2017	UK	Average Earnings Index 3m/y	-	-	1.8%	High
16-08-2017	Europe	Flash GDP q/q	-	-	0.6%	Medium
16-08-2017	US	Building Permits	-	1245k	1254k	High
16-08-2017	US	FOMC Meeting Minutes	-	-	-	High
17-08-2017	UK	Retail Sales m/m	-	-	0.6%	High
23-08-2017	UK	Inflation Report Hearings	-	-	-	High
24-08-2017	UK	Second Estimate GDP q/q	-	-	0.3%	High
24-08-2017	All	Jackson Hole Symposium	-	-	-	High
25-08-2017	US	Durable Goods Orders m/m	-	-5.3%	6.4%	High
30-08-2017	US	Prelim GDP q/q	-	2.3%	2.6%	High

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